## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

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DON LAPRE, and DON I	APRE d/b/a THE GREATEST	)	
VITAMIN IN THE WORL	D, its partners, officers, directors,	)	FILE NO
employees, affiliates, succ	essors and assigns.	)	
•		)	

FILE NO. 0600436

## ORDER TO CEASE AND DESIST

TO THE RESPONDENT: | |

Don Lapre 3112 North 30<sup>th</sup> Avenue Phoenix, Arizona 85017

The Greatest Vitamin in the World 3112 North 30<sup>th</sup> Avenue Phoenix, Arizona 85017

Don Lapre PO Box 4802 E Ray Road #23 – Box 45 Phoenix, Arizona 85044

The Greatest Vitamin in the World PO Box 4802 E Ray Road #23 – Box 45 Phoenix, Arizona 85044

WHEREAS, a Summary Order to Cease and Desist (the "Summary Order") was issued by the Secretary of State on April 3, 2008, ordering Don Lapre, its officers and directors, employees, agents, affiliates, successors and assigns (the "Respondent") to CEASE and DESIST from offering or selling any business opportunities in the State of Illinois in violation of the provisions of the Business Opportunity Sales Law of 1995 [815 ILCS 602 et seq.] (the "Act"), until the further the order of the Secretary of State.

WHEREAS, pursuant to Section 5-65(1) of the Act, the failure to request a hearing within thirty (30) calendar days after entry of the Summary Order shall be deemed to constitute a waiver of all rights by such person to a hearing and the cease and desist order as to such person shall become permanent.

WHEREAS, the Summary Order sent to the Respondent on April 3, 2008, by certified mail.

WHEREAS, the Respondent has failed to request a hearing on the matters contained in the Summary Order within thirty (30) calendar days after entry of said Summary Order.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Summary Order as the Secretary of State's Final Findings of Fact:

- 1. That Don Lapre, Respondent (Lapre collectively with Greatest, "Respondents") is an individual maintaining his principal offices at 3112 North 30<sup>th</sup> Avenue, Phoenix, Arizona 85017, and PO Box 4802 E Ray Road, Phoenix, Arizona 85044.
- 2. That The Greatest Vitamin in the World, Respondent (the "Greatest" collectively with Lapre the "Respondents") is a business entity maintaining their principal offices at 3112 North 30<sup>th</sup> Avenue, Phoenix, Arizona 85017, and PO Box 4802 E Ray Road, Phoenix, Arizona 85044.
- 2. That during the years 2006 and 2007, the Respondent placed advertisements/infomercials (the "Ad") on numerous television stations at various times and places said television broadcasts being within the State of Illinois.
- 3. That several Illinois residents responded to the Ad by calling 1-888-355-3017, ordered and purchased the program of being an Independent Advertiser (the "Package") which Respondents offered to the Illinois residents as the opportunity to start their own website from which they would generate a profit on the sale of each bottle of vitamins selling at \$12.95 per bottle, and on all sales of other people they sign up to become Independent Advertisers.
- 4. That the Respondents represented to the Purchasers that the Respondents would provide certain services to the Purchaser, including web site design and maintenance for a fee, free sales guidance, and technical support. A coaching class provided touted that for an additional \$600.00 the "Platinum Program" would bring 17% more on each sale.
- 5. That terms and conditions of the Package Agreement set forth the payment structure as follows:

Payment Structure – Each time you create 20 new clients for our company by getting 20 new people to go to your website and order a bottle of our amazing vitamin, you will have your choice of \$1000 of our lifetime revenue program. If you choose the \$1000, you will not receive additional revenue from these clients. If you choose the lifetime revenue program, you will receive \$10 from every bottle sold to these 20 people for life! This means you could receive up to \$200 or more each month for the rest of your life. For example, if 15 of these 20 clients buy a total of 30 bottles in

just one month, you will get a check for \$300 (\$10 per bottle sold) for that month. With each group of 20 people, you get to decide whether you want the \$1000 or the lifetime revenue. If you choose the \$1000, we will consider this a buyout and you will forfeit future potential income from that group of 20 people. We will draft checks each Friday for all revenue earned the week prior. We do have our Platinum program (optional) that will actually pay you both the \$1000 plus the lifetime revenue on all clients in addition to \$100 bonus checks.

- 6. Respondents sold a Package to a least one Illinois resident in the state of Illinois during October and November 2006 for the sum of one thousand six hundred five and no cents (\$1,605.00) dollars.
- 7. That Section 5-5.10(a)(6) of Business Opportunity Sales Law of 1995, [815 ILCS 602 et seq ] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller of more than \$500 and the seller represents directly or indirectly, orally or in writing, that the seller or a person recommended by the seller will provide a marketing plan.
- 8. That the Respondents Program, described in paragraphs three through five (3-5), constitutes a business opportunity as that term is defined in Section 5-5.10 of the Act.
- 9. That the activities described in paragraphs two, three and five (2, 3 and 5) constitute an offer and sale as those terms are defined under Section 5-5.20 and Section 5-5.40 of the Act.
- 10. That the activities described in paragraph four (4) constitute a marketing plan as that term is defined under Section 5-5.15 of the Act.
- 11. That Section 5-25 of the Act provides, <u>inter alia</u>, that it is unlawful for any person to offer or sell any business opportunity in this State unless the business opportunity is registered under the Act or is exempt under Section 5-10 of the Act.
- 12. That at all relevant times, Respondent, Prophet 3H, Inc., their officers and directors, agents, employees, affiliates, successors and assigns, failed to register the business opportunity described in paragraphs three through five (3-5) as required pursuant to Section 5-25 of the Act.
- 13. The Respondent violated Section 5-25 of the Act.

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WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the Summary Order as the Secretary of State's Conclusions of Law:

NOW THEREFORE, IT IS HEREBY ORDERED: That pursuant to Section 5-65 of the Act, the Respondent, Don Lapre, its officers and directors, employees, agents, affiliates. successors and assigns, is hereby ordered to CEASE and DESIST from offering or selling any business opportunities in the State of Illinois in violation of the provisions of the Act.

ENTERED: This day of My, 2008.

esse Write Secretary of State State of Illinois

NOTICE: Pursuant to Section 5-115 of the Act, any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 3 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Act (14 Ill, Admin, Code, Ch. I. Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State: Samuel F. Freiman Office of the Secretary of State Illinois Securities Department 69 west Washington Street, Suite 1220 Chicago, Illinois 60602 Telephone: (312) 793-3988